

Innovating Indiana thru the Training Acceleration Grant (TAG)

Goals and Objectives

The Incumbent Worker Training (IWT) Fund was created by the Indiana General Assembly in 2001. It is intended to assist and encourage Indiana employers to provide high-level skills training to their existing workforce. The fund is also aimed at increasing accessibility of training for Indiana's incumbent workforce, and the promotion of transferable skill credentials among the state's workforce. The legislation laid out the following objectives:

- Enable firms to become competitive by making workers more productive through training
- Create a competitive economy by creating and retaining jobs
- Encourage increased training necessary due to an aging workforce
- Reduce future payment of unemployment compensation by providing workers with enhanced job skills
- Improve manufacturing productivity levels in Indiana

In 2005, the legislature granted the authority of the Training Acceleration Grant to reside with the Indiana Economic Development Corporation (IEDC), while the Department of Workforce Development acts as the administrative body for the distribution of the funds. Accordingly, the fund will be governed by the following four program objectives:

- ▶ 1. Promoting small businesses
- ▶ 2. Fostering job retention and expansion
- ▶ 3. Increasing personal income for Hoosier workers
- ▶ 4. Training to address WorkKeys© skill gaps

1. Increasing personal income for Hoosier workers:

Grants in this category would have to lead to wage gains for employees completing the training. Proof would have to be provided to demonstrate that these wage increases actually took place.

2. Fostering job retention and expansion: Grants in this category would have to demonstrate that the training was necessary to retain jobs. Examples of this type of project are training programs intended to increase efficiency or to facilitate the use of new technology. Applicants would have to make a case that this training would improve their competitiveness and position them for future growth.

3. Promoting small businesses: For the purposes of this grant, companies of less than 50 employees qualify as small businesses. For applicants in this category, matching requirements will be reduced and applied on a sliding scale to enable greater access to TAG funds.

4. Training to address WorkKeys© skill gaps: Grantees wishing to qualify under this core objective must be WorkKeys© participants. The training must result from assessments conducted against WorkKeys© profiles and be intended to improve skill gaps identified by those assessments. For skill gap training projects, a company's match may include time spent on-the-clock by employees to:

- ▶ A.) create the profiles;
- ▶ B.) undergo pre and post training assessments and;
- ▶ C.) complete the actual training.

General Eligibility:

- This grant is available to provide training for jobs at facilities that reside in the state of Indiana.
- Municipalities, public utilities, governmental agencies and public educational institutions are not eligible for training through this fund.
- Projects must meet one of the core objectives of the Training Acceleration Grant program.
- Trainees must be full-time, incumbent workers. They cannot be contract or temporary workers. Under this grant, an incumbent worker is defined as an employee beyond probationary status with a company.
- Training provided through this grant must result in the employee acquiring a portable, industry-recognized credential.
- All companies interested in obtaining funds through this program must fill out a pre-application prior to beginning work on an application. This can be obtained at <http://www.in.gov/dwd/employers/grants/iwt/index.html> or from your regional Business Development Consultant whose information can also be found at this URL.

Outcomes:

- Industry or nationally recognized credential
- Seminars and general *Certificates of Completion* do not constitute recognized credentials as required by this grant.
- This grant is not intended to provide training required to do businesses within a given field. Its purpose is to give companies and their employees the skills to excel above and beyond their competitors. Therefore, any training/continuing education required by federal, state, or industry guidelines will not be covered.
IE: OSHA, FDA requirements, insurance adjusters, real estate licenses.

Training Provider:

- In-state training providers are preferred except in the following cases:
 - A.) When an applicant is able to demonstrate that there is not an Indiana vendor capable of providing the needed services, then out of state providers will be considered.
 - B.) In the case where geographic proximity of an out of state provider outweighs the cost effectiveness of an Indiana provider.
- Ivy Tech State College is given special consideration as the provider of training obtained through this grant when:
 - A.) Ivy Tech courses meet the needs of an employer or consortium;
 - B.) Ivy Tech is the most cost effective provider.
- It is prohibited to use these funds to subsidize training provided by on-staff training providers

Budget Constraints:

- All companies with more than 100 employees must provide a 1:1 match. This can be cash or in-kind.
- Applicants are strongly encouraged to limit their requests to no more than an average of \$3500 a year or \$7000 over 2 years for each trainee. Further, all training costs should represent current competitive rates.
- Any request in excess of \$200,000 will have to petition for special consideration.
- Eligible grant expenditures include tuition and/or contract services, books, lab fees, and one-time exam fees.
- The following non-eligible grant expenditures must be considered as match funds when configuring a budget proposal: supplies, equipment, travel, wages/benefits, fees or associated costs for the rental or usage of space not owned by the applicant and being procured specifically for training funded by this grant.
- All approved expenditures will be reimbursed upon receipt and approval of formal documentation.
- DWD reserves the right to withhold final payments or 25% of grant funds until all reporting requirements have been met.

Small Businesses:

- Under this grant, small businesses are defined as having 100 or fewer employees.
- Small businesses will not be required to put forth a 1:1 match. Instead, when paying their employees to be trained during work hours or on alternative schedules, they will be required to invest based upon the following sliding scale:

Number of Employees	Required % of Match
1-10	10
11- 20	20
21- 30	30
31- 40	40
41- 50	50
51- 100	75

Consortium Grants:

To procure administrative fees, a consortium must meet the following:

- There must be a minimum of 3 companies to constitute the consortium.
- For consortiums of small businesses, the match requirement will be based upon the average size of all the companies included in the project.
- Grant administrator and training provider must be separate entities.
- Administrative fees cannot exceed 10% of the approved grant expenditures. Any request in excess of this amount will have to petition for special consideration. Administrative fees will be awarded based upon several factors. (IE: number of trainees, number of training providers, and complexity of overall project.)
- Administrative fees are based solely on those expenditures being funded by the grant. Match costs cannot be used when calculating an administrative fee.
- Training offered through consortium grants must be germane. All companies in the consortium must be in related fields or seeking training within the same field.
 - Ie: Acceptable: Companies from multiple fields seeking computer certifications.
 - Non Acceptable: A hospital training nurses, a manufacturer seeking welding certifications, and a small business wanting computer training.